

EMPLOYER STATUS DETERMINATION

Carolina Rail Service, LLC

This is the determination of the Railroad Retirement Board concerning the status of (CRS), B. A. No. 4576, as an employer under the Railroad Retirement Act (45 U.S.C. § 231, et seq.) (RRA) and the Railroad Unemployment Insurance Act (45 U.S.C. § 351, et seq.) (RUIA). CRS has been an employer under the RRA and RUIA with service creditable from October 1, 2001.

Mr. Brad Dusenbury, Vice President, CRS, advised that CRS ceased operations on August 31, 2005 and last compensated employees on September 9, 2005. On September 1, 2005, CRS sold all of its assets to Moorehead & Southfork Railroad Company, Inc. (B.A. No. 5598). CRS last filed its corporate report with the state of North Carolina in February 2005 and is currently awaiting administrative dissolution.

Section 202.11 of the Board's regulations provides that:

The employer status of any company or person shall terminate whenever such company or person loses any of the characteristics essential to the existence of an employer status.

Based on the information set forth above, it is the determination of the Railroad Retirement Board that Carolina Rail Service, LLC ceased being an employer under the RRA and RUIA on September 9, 2005, the last date on which employees were compensated. Cf. Rev. Rul. 82-99, wherein the Internal Revenue Service held that a company continues to be an employer after disposing of its assets until it ceases all services performed by employees in connection with carrier activities. 1982-1 C.B. 155.

Original signed by:

FOR THE BOARD
Beatrice Ezerski
Secretary to the Board